

SENATE BILL 744

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By: **Senator Colburn**

Introduced and read first time: February 10, 2010

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law – Unfair or Deceptive Trade Practices – Disclosure of Prior**
3 **Vehicle Use**

4 FOR the purpose of requiring a vehicle dealer who is required by law to make a
5 certain disclosure to consumers regarding the prior use of a vehicle to make a
6 reasonable inquiry about whether the vehicle formerly was used other than
7 primarily for personal, household, or family purposes; requiring a dealer to
8 disclose that the prior use of a vehicle is unknown under certain circumstances;
9 establishing that a dealer may comply with the requirements of this Act by
10 providing the consumer with a certain vehicle history report; defining certain
11 terms; and generally relating to disclosures by vehicle dealers and unfair or
12 deceptive trade practices.

13 BY adding to
14 Article – Commercial Law
15 Section 13–320
16 Annotated Code of Maryland
17 (2005 Replacement Volume and 2009 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Commercial Law**

21 **13–320.**

22 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
23 MEANINGS INDICATED.

24 (2) “DEALER” HAS THE MEANING STATED IN § 15–101 OF THE
25 TRANSPORTATION ARTICLE.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(3) “VEHICLE” HAS THE MEANING STATED IN § 11-176 OF THE**
2 **TRANSPORTATION ARTICLE.**

3 **(B) (1) IF A DEALER IS REQUIRED BY LAW TO MAKE A DISCLOSURE TO**
4 **A CONSUMER REGARDING THE PRIOR USE OF A VEHICLE, THE DEALER SHALL**
5 **MAKE A REASONABLE INQUIRY ABOUT WHETHER THE VEHICLE FORMERLY WAS**
6 **USED OTHER THAN PRIMARILY FOR PERSONAL, HOUSEHOLD, OR FAMILY**
7 **PURPOSES.**

8 **(2) IF, AFTER AN INQUIRY UNDER PARAGRAPH (1) OF THIS**
9 **SUBSECTION, THE NATURE OF THE PRIOR USE OF THE VEHICLE CANNOT BE**
10 **DETERMINED, THE DEALER SHALL DISCLOSE TO THE CONSUMER THAT THE**
11 **PRIOR USE OF THE VEHICLE IS UNKNOWN.**

12 **(C) A DEALER MAY COMPLY WITH THE REQUIREMENTS OF THIS**
13 **SECTION BY PROVIDING A CONSUMER WITH A VEHICLE HISTORY REPORT**
14 **PREPARED BY AN INDEPENDENT THIRD PARTY.**

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 2010.